# Congress of the United States Washington, DC 20515

October 11, 2013

The Honorable Mignon Clyburn Acting Chairwoman Federal Communications Commission 445 12th Street, SW Washington, DC 20554

## Dear Acting Chairwoman Clyburn:

The Lifeline program – commonly referred to as the "Obamaphone program" – is paid for by taxes placed on millions of telecommunications consumers. This failed program continues to symbolize everything that is wrong with Washington as it's one of the worst examples of corporate welfare in the federal government. The cost of this government-run phone program has exploded from under \$800 million in 2005 to \$2.2 billion in 2012, and there is no end in sight.

As you are well aware, Lifeline has faced a tidal wave of bipartisan criticism for waste, fraud, and abuse. Supporters of Lifeline, and now even some of the program's chief beneficiaries, admit the program needs changes. We were surprised that the Federal Communications Commission (FCC) recently proposed forfeitures totaling more than \$14 million against five of the Lifeline program's providers.

Unfortunately, it's too late for the public's trust to be restored in any capacity for the Lifeline program. We cannot win back Americans' confidence in this program even if the FCC were to win awards against the operators who have defrauded the public so violently.

Furthermore, there is no evidence the program actually helps the poor. According to the Technology Policy Institute, "the funding source of Obamaphone is highly regressive because the tax that funds it is the same regardless of the payer's income." Taxes continue to be imposed on Americans and it's a slap in the face to ask people to keep paying into a broken system. Additionally, the recent data breaches exposing private information of thousands of individuals associated with the Lifeline program has put users at great risk of identity theft.

The American people expect their government to do more than pay lip service to the waste, fraud, and abuse. It's not enough to say we are saving a few million dollars in the next few years by cutting back on some of the fraud in Lifeline. Given the American public's expectation that we do more, and their preference that we end this program completely, we would like to ask for your response to the following questions:

- What makes the failed Lifeline program more important than other Universal Service Fund priorities?
- Would you support a \$2 dollar co-pay as a condition to participate in the Lifeline program? Why or why not?
- Can you offer any new suggestions for how to cut the spending in this program in half by the end of 2014?
- How is the FCC verifying Lifeline eligibility and duplication? How many non-eligible and duplicate names have you found were enrolled in the Lifeline program over the past year?
- How much time and how many resources has the FCC wasted trying to save this failed welfare program?

If Congress had the opportunity to reauthorize this program instead of allowing it to grow on auto-pilot, Lifeline wouldn't be able to survive. Sadly, Lifeline has become a prime example of how the culture of dependency is weakening America. Thank you for your time and consideration to this important issue.

Sincerely,

The parties were

TN-4

Ata C.

In LaMp CA-1

Attraction NM-02

Mathemary PA-04 Mothflu Az-05 Ramy K. Wille TX-14 Jan 7 Snd mo-68 Justin Scott UA-8 Frak. What on a Fere Chobot OH10 1 Tim halberg M-07 Je Barln Tx6 Mart Petty NC.09 Joh Alenj Lorg 7 h. Clas CAY

Zom Sallo Jim Budustinie DK-1 Bul Singery Qu Countrio My Summer Wyo. AMA FI-10 Dong Lambon Co-5 Steve King IA-4 Stan Scald, LA-1 Ch-P-S-GN Ne13 Dana Rohrabach Mill

Bild WA-8 Gol With g feet fels Qub B BUSJAMFL8 Au Wagur Sent all GA-3 Vicky Harts les Chel Celimani Kein Robbyle pr. 12 Sterling MT Standards TX3)

Thulfty Helly Tx26 See mt

# Member Signatures

#### Page 2:

Marsha Blackburn Scott DesJarlais Doug LaMalfa Ted Yoho Andy Harris Stevan Pearce

# Page 3:

Matt Salmon
Randy Weber
Austin Scott
Steve Chabot
Joe Barton
Tom McClintock
Scott Perry
Jason Smith
Brad Wenstrup
Tim Walberg
Robert Pittenger
John Fleming

#### Page 4:

Robert Latta Cynthia Lummis Doug Lamborn

# Page 4 cont'd:

Steve King
Tom Price
Dana Rohrabacher
Jim Bridenstine
Phil Gingrey
Daniel Webster
Steve Scalise
George Holding
Jeff Miller

## Page 5:

David Reichert
Randy Forbes
Ann Wagner
Vicky Hartzler
Keith Rothfus
Steve Daines
Kenny Marchant
Robert Wittman
Rob Bishop
Bill Posey
Lynn Westmoreland
Michele Bachmann
John Carter
Michael Burgess